

**God's Temple Ministry and Outreach, Inc.**

**Financial Statements  
And Independent Auditors' Report**

**December 31, 2007**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 1/7/09

GOD'S TEMPLE MINISTRY AND OUTREACH, INC.

DECEMBER 31, 2007

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# **B&T BOND & TOUSIGNANT, LLC**

**CERTIFIED PUBLIC ACCOUNTANTS**

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
God's Temple Ministry and Outreach, Inc.  
Bastrop, Louisiana

We have audited the accompanying statement of financial position of God's Temple Ministry and Outreach, Inc. as of December 31, 2007, and the related statement of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of God's Temple Ministry and Outreach, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of God's Temple Ministry and Outreach, Inc. as of December 31, 2007, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2008, on our consideration of God's Temple Ministry and Outreach, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grants and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audits.

*Bond & Tousignant, LLC*

Monroe, Louisiana  
December 15, 2008

**GOD'S TEMPLE MINISTRY AND OUTREACH, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**December 31, 2007**

**Assets**

**Current Assets**

Cash and Cash Equivalents	\$ 609
Accounts Receivable	7,560
<b>Total Current Assets</b>	<u>8,169</u>

**Property and Equipment**

Furniture and Equipment	8,895
Accumulated Depreciation	(590)
<b>Total Property and Equipment</b>	<u>8,305</u>

<b>Total Assets</b>	<u><u>\$ 16,474</u></u>
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**Liabilities and Net Assets**

**Current Liabilities**

Accounts Payable	\$ 250
<b>Total Current Liabilities</b>	<u>250</u>

<b>Total Liabilities</b>	<u>250</u>
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**Net Assets**

Unrestricted - Undesignated	7,919
Unrestricted - Property and Equipment	8,305
<b>Total Net Assets</b>	<u>16,224</u>

<b>Total Liabilities and Net Assets</b>	<u><u>\$ 16,474</u></u>
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The accompanying notes are an integral part of these financial statements.

**GOD'S TEMPLE MINISTRY AND OUTREACH, INC.**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>Support and Revenue</b>			
Federal			
Grant - TANF TPP	\$ -	\$ 98,329	\$ 98,329
Grant - TANF ASFA	-	61,560	61,560
Contributions	251	-	251
Net Assets Released From Restrictions	159,889	(159,889)	-
Total Support and Revenue	<u>160,140</u>	<u>-</u>	<u>160,140</u>
<b>Expenses</b>			
Program Services			
Teenage Pregnancy Prevention	85,932	-	85,932
After School For All	57,920	-	57,920
Total Program Services	<u>143,852</u>	<u>-</u>	<u>143,852</u>
Supporting Services			
Management and General	64	-	64
Total Supporting Services	<u>64</u>	<u>-</u>	<u>64</u>
Total Expenses	<u>143,916</u>	<u>-</u>	<u>143,916</u>
<b>Increase (Decrease) in Net Assets</b>	16,224	-	16,224
<b>Net Assets at Beginning of Year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Assets at End of Year</b>	<u>\$ 16,224</u>	<u>\$ -</u>	<u>\$ 16,224</u>

The accompanying notes are an integral part of these financial statements.

**GOD'S TEMPLE MINISTRY AND OUTREACH, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

	<u>Program Services</u>		<u>Supporting</u>	
	<u>TANF</u>		<u>Services</u>	
	<u>Teen Pregnancy</u>	<u>After School</u>	<u>Management</u>	<u>Total</u>
	<u>Prevention</u>	<u>For All</u>	<u>and General</u>	
Advertising	\$ 59	\$ -	\$ -	\$ 59
Bank Service Charge	-	64	-	64
Contract Services	59,573	39,393	-	98,966
Depreciation	149	441	-	590
Dues and Subscriptions	26	2,445	-	2,471
Equipment Rental	1,850	1,456	-	3,306
Miscellaneous	-	-	64	64
Postage & Printing	395	5	-	400
Professional Services	5,050	-	-	5,050
Rent	4,900	3,575	-	8,475
Repairs & Maintenance	1,050	-	-	1,050
Supplies	4,214	5,857	-	10,071
Telephone	650	-	-	650
Transportation	1,265	1,160	-	2,425
Travel and Conferences	2,801	1,274	-	4,075
Utilities	3,950	2,250	-	6,200
<b>Total Expenses</b>	<b>\$ 85,932</b>	<b>\$ 57,920</b>	<b>\$ 64</b>	<b>\$ 143,916</b>

The accompanying notes are an integral part of these financial statements.

**GOD'S TEMPLE MINISTRY AND OUTREACH, INC.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

**Operating Activities**

Change in Net Assets	\$ 16,224
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:	
Depreciation	590
(Increase) decrease in:	
Accounts Receivable	(7,560)
Increase (decrease) in:	
Accounts Payable	250
<b>Net Cash Provided by (Used in) Operating Activities</b>	<u>9,504</u>

**Investing Activities**

Payments for property and equipment	<u>(8,895)</u>
<b>Net Cash Provided by (Used in) Investing Activities</b>	<u>(8,895)</u>

**Net Increase (Decrease) in Cash and Cash Equivalents** 609

**Cash and Cash Equivalents at Beginning of Year** -

**Cash and Cash Equivalents at End of Year** \$ 609

The accompanying notes are an integral part of these financial statements.

**GOD'S TEMPLE MINISTRY AND OUTREACH, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

**NOTE 1 – ORGANIZATION AND NATURE OF ACTIVITIES**

God's Temple Ministry and Outreach, Inc. ("GTMO") is a non-profit organization organized under the laws of the State of Louisiana on December 31, 2003. Prior to then, GTMO had been operating as a corporation organized on January 2, 2002. GTMO is located in Bastrop, Louisiana and their primary purpose is to provide education and training services which will strengthen the capacity of youth and adults to be productive citizens and improve the living conditions and quality of life for socially and economically disadvantaged persons.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of Accounting

The financial statements of GTMO are prepared on the accrual basis of accounting and in accordance with accounting principles generally accepted in the United States of America where revenue is recognized in the period earned and expenditures are recorded in the period incurred and to which they pertain.

Not-For-Profit Accounting

GTMO reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted assets, and permanently restricted net assets. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets. The organization does not have any temporarily restricted assets and permanently restricted net assets at December 31, 2007.

The net assets are composed of the following:

UNRESTRICTED UNDESIGNATED NET ASSETS – consist of assets and revenue available and used for current operations and expenditures for current programs, and amounts designated by the Board of Directors for long-term investment, equipment, or other specific purposes.

UNRESTRICTED PROPERTY AND EQUIPMENT NET ASSETS – consist of equipment and other fixed assets acquired and stated at cost. It includes fixed assets acquired by GTMO and amounts donated to assist with the acquisition, construction or renovation of fixed assets.

Uses of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.



**GOD'S TEMPLE MINISTRY AND OUTREACH, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Cash and Cash Equivalents

For purposes of the statement of cash flows, cash and cash equivalents represent cash and all highly liquid debt instruments purchased with original maturities of three months or less.

Concentration of Credit Risk

GTMO's financial instruments that are exposed to concentrations of credit risk consist primarily of cash on deposit at a local financial institution. GTMO places its financial instruments with a high credit quality bank. Accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$100,000.

Concentration of Revenue

GTMO has contracted with two organizations: (1) the State of Louisiana, Department of Social Services for the Teen Pregnancy Prevention Program and (2) the State of Louisiana, Department of Education for the After School For All Program to provide certain services to the area. Approximately 99% of GTMO's funding is generated from these cooperative service contracts. The remaining is generated from public support and reimbursements for certain expenses.

Advertising

GTMO incurred advertising and promotion costs of \$59 for the year ended December 31, 2007. Advertising costs are expensed when incurred.

Receivables

GTMO's receivables are reported at outstanding principal adjusted for chargeoffs. GTMO's policy for determining when receivables are deemed past due or delinquent is based on the nature of the receivable and the payment history of the receivable. Losses on receivables are recorded using the direct write-off method and are charged off in the period that the receivables are deemed uncollectible. Recoveries of receivables previously charged off are recorded when received.

Allowance for Doubtful Accounts

No allowance for uncollectible accounts has been provided since it is believed that the balance in accounts receivable is all collectible

Contributions

GTMO has adopted SFAS 116, "Accounting for Contributions Received and Contributions Made." Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions.

**GOD'S TEMPLE MINISTRY AND OUTREACH, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Property and Equipment

Expenditures for office equipment are capitalized at cost. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated useful lives using the accelerated method. The depreciation periods are prescribed based on the type of property.

Maintenance, repairs and renewals that neither materially add to the value of the property nor appreciably prolong its life are charged to expense as incurred. Upon disposal of depreciable property, the appropriate property accounts are reduced by the related costs and accumulated depreciation. The resulting gains and losses on dispositions of property are reflected in the statement of operations.

Income Taxes

GTMO is qualified as a non-profit voluntary health organization that is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and from state income taxes under Section 121 (5) of Title 47 of the Louisiana Revised Statutes of 1950. Therefore, no provision for income taxes is necessary.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates

Donated Services

In some instances volunteers have donated time to GTMO's program services. During the year, the value of contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded.

Functional Allocation of Expenses

Expenses by function have been allocated among program and supporting services classifications on the basis of estimates made by GTMO's management. Expenses are charged to each program based on direct expenditures incurred. There were no indirect costs charged during the contract period.

Programs

GTMO's principal programs and primary funding sources are:

Teenage Pregnancy Program – provides education to teenagers concerning prevention of pregnancy.

After School for All Program – designed to provide instruction in academic skills including study skills, test-taking skills and improvement of English, Mathematics, and Science.

**GOD'S TEMPLE MINISTRY AND OUTREACH, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

**NOTE 3 – FURNITURE AND EQUIPMENT**

Expenditures for furniture and equipment are capitalized at cost. Property and equipment acquisitions are capitalized in excess of \$1,000. Assets acquired by gift or bequest are recorded at their fair market value at the date of transfer. When assets are disposed of, the cost related accumulated depreciation is removed from the accounts, and any gain or loss is recorded in operations.

Depreciation is computed using the straight-line method over the estimated service lives of the assets. A summary of changes in general fixed assets for the year ended December 31, 2007 follows:

<u>Assets Class</u>		<u>Service Life</u>
Furniture and Equipment	8,895	5-10 years
Less: Accumulated Depreciation	<u>(590)</u>	
Net Balance	8,305	

Depreciation for 2007 totaled \$590.

**NOTE 4 – FAIR VALUE OF FINANCIAL INSTRUMENTS**

GTMO's financial instruments, none of which are held for trading purposes, consist primarily of cash on deposit at financial institutions. GTMO estimates that the fair value of all financial instruments at December 31, 2007 does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying statement of financial position.

**NOTE 5 – SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION**

No interest was paid in 2007.

**NOTE 6 - TRANSACTIONS WITH AFFILIATES AND RELATED PARTIES**

God's Temple Church

In January, 2007, GTMO entered into a lease agreement with God's Temple Church, a non-profit Louisiana corporation, to provide the facilities needed for the services GTMO provides. Both GTMO and God's Temple Church are governed by principally the same Board of Director members. The lease agreement provides for GTMO to pay God's Temple \$8,400 annually. In addition GTMO reimbursed God's Temple Church \$4,000 for equipment purchases, \$600 for repairs and maintenance, \$6,200 for utilities, \$2,450 for vehicle usage, and \$4,850 for other operating expenses.

**GOD'S TEMPLE MINISTRY AND OUTREACH, INC.  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2007**

NOTE 6 - TRANSACTIONS WITH AFFILIATES AND RELATED PARTIES (CONT'D)

Other

The Organization incurred certain operating expenses to the Executive Director and various relatives during 2007. The following was incurred:

<u>Related Party</u>	<u>Contract Services</u>	<u>Operating Expenses</u>
Jessie Tolbert	\$ 18,322	\$ 2,476
Kathy Cleveland	10,927	1,586
Denise Tolbert	10,392	600
Eric Tolbert	3,655	-
Rexo Tolbert	2,830	-
Alvin Tolbert	2,472	-
Jamerson Tolbert	2,122	350



CERTIFIED PUBLIC ACCOUNTANTS

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT  
AUDITING STANDARDS***

**To the Board of Directors  
God's Temple Ministry and Outreach, Inc.  
Bastrop, Louisiana**

We have audited the general purpose financial statements of God's Temple Ministry and Outreach, Inc., Bastrop, Louisiana, as of and for the year ended December 31, 2007 and have issued our report thereon dated December 15, 2008. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the basic financial statements of God's Temple Ministry and Outreach, Inc., Bastrop, Louisiana, for the year ended December 31, 2007, we considered its internal control over financial reporting to determine our auditing procedures for the purpose of expressing our opinion on the basic financial statements and not to provide assurance on the internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether God's Temple Ministry and Outreach, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

This report is intended for the information and use of the management and board of directors of God's Temple Ministry and Outreach, Inc., Louisiana Department of Social Services, Office of Family Support, and Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than these specific parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Bond + Jovagnant, LLC*

Monroe, Louisiana  
December 15, 2008